

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 1514 - SB 1692

January 28, 2018

SUMMARY OF BILL: Prohibits an inmate from using sentence credits until the inmate has served the minimum percentage of service established in Tenn. Code Ann. § 40-35-501.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures – \$112,299,000 Incarceration*

Assumptions:

- Tennessee Code Annotated §§ 40-35-105 to -109 establish sentencing classifications for felons. An inmate is sentenced as an especially mitigated offender, a standard offender (Range I), a multiple offender (Range II), a persistent offender (Range III), or a career offender.
- Tennessee Code Annotated § 40-35-501 establishes the release eligibility dates for inmates sentenced to the Department of Correction (DOC) or to a local jail or workhouse.
- The classification determines the minimum percentage of the sentence that an inmate must serve. The percentages are as follows:

Classification	Percentage
Especially Mitigated	20% - 30%
Standard	30%
Multiple	35%
Persistent	45%
Career	60%

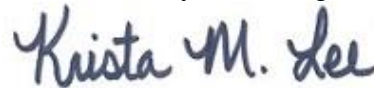
- These percentages can be reduced with sentence credits earned and retained by inmates while serving the sentence.
- The proposed legislation prohibits an inmate from using sentence credits to reduce the time served below the percentages listed above.
- Data from DOC indicates that there has been an average of 15,151 inmates released each year over the last five years. Of these releases, 5,801 inmates, or 38.29 percent ($5,801 / 15,151 = 0.3829$), received sentence credits.

- Over the last five years, there has been an average of approximately 14,215 admissions per year. It is assumed 38.29 percent, or 5,443 ($14,215 \times 0.3829$), of these admissions will receive sentence credits.
- According to the U.S. Census Bureau, population growth in Tennessee has been 1.12 percent per year for the past 10 years, yielding a projected compound population growth of 11.78 percent over the next 10 years. Population growth will account for 641 ($5,443 \times .1178$) additional admissions for a total of 6,084 ($5,443 + 641$).
- Data from DOC indicates that the average inmate earns 383 days (1.05 years) of sentence credits.
- According to the DOC, 32.2 percent of offenders will re-offend within one year of their release. A recidivism discount of 32.2 percent has been applied to this estimate to account for the impact of offenders who would re-offend under current law within the additional time added by this legislation. It is assumed that the re-offender would have committed the subsequent offense at the same felony level as under current law ($6,084 \text{ offenders} \times .322 = 1,959 \text{ offenders}$).
- According to the DOC, the average operating cost per offender per day for calendar year 2018 is \$71.08.
- The maximum cost in the tenth year, as required by Tenn. Code Ann. § 9-4-210, is based on 4,125 offenders ($6,084 \text{ offenders} - 1,959 \text{ recidivism discount}$) serving an additional 1.05 years (383 days) at a cost of \$27,224 ($\$71.08 \times 383 \text{ days}$) per offender. The cost for 1,959 offenders is \$112,299,000 ($\$27,224 \times 4,125$).
- The proposed legislation impacts neither the caseloads of the courts, public defenders, or district attorneys or the sentencing, nor the sentencing of felons.

**Tennessee Code Annotated § 9-4-210 requires an appropriation from recurring revenues for the estimated operation cost of any law enacted after July 1, 1986 that results in a net increase in periods of imprisonment in state facilities. The amount appropriated shall be based upon the highest cost of the next 10 years.*

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



Krista M. Lee, Executive Director

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